



THE NEW JERSEY ADVOCATE



Quarterly Publication

A Publication of the Division of the Ratepayer Advocate

Spring 2005

Message from the Director



Now that warmer days are here, there is a renewed sense of energy as we at the Ratepayer Advocate tackle new challenges.

This spring, the Ratepayer Advocate is focusing on several important issues that affect utility use in your home or small business. My staff and I are constantly working to keep you informed about new technology and how it will improve your everyday life. We believe that informed consumers

make the smartest choices for their particular households.

We want you to know about an exciting developing technology called Broadband Over Power Lines (BPL). The technology would offer consumers who live in rural areas not serviced by DSL or cable modem providers access to high-speed internet connections over electric utility power lines.

In addition to focusing on new technology, we are continuing to monitor ongoing issues such as the proposed mergers between PSEG and Exelon, SBC and AT&T, MCI and Verizon, and Sprint and Nextel. We at the Ratepayer Advocate are following each merger by attending and participating in Board of Public Utilities meetings, filing commentaries, briefs and recommendations, and by working with the company executives to ensure that consumers' rights and needs remain the most important priorities during consideration of the mergers.

The Ratepayer Advocate team is examining changes in the energy industry and developing new ways to help address consumer concerns about rising utility costs. Unfortunately, these rising costs have also affected all products that utilize oil

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Message from the Acting Governor

Everyone Benefits from Energy Conservation

As spring settles in, many of us take stock of our homes to decide what should be thrown away, refreshed or kept. Spring is also a good time to renew our efforts to conserve energy. If we look around our homes and think about ways to improve energy conservation, such as using energy efficient products and appliances, we can take a big step forward to help preserve our resources.



To assist with these efforts, several state agencies provide a wealth of resources on energy conservation, including the Ratepayer Advocate's latest edition of the **Consumer Conservation Handbook**. The book includes helpful tips, such as the need to keep shrubbery away from vents because it

reduces an air conditioner unit's ability to exhaust air, or the fact that air conditioner filters should be checked once a month by holding them up to a bright light. If you cannot see through it, it is time to replace the filter.

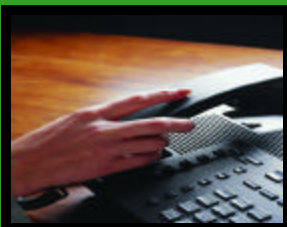
Another important part of energy conservation is energy efficiency. Energy efficiency means the capacity

to use less energy to produce the same results. New Jersey has instituted a number of successful initiatives to help with more efficient use of energy. For example, we have a goal to reduce the state's peak demand and to transform the marketplace for the next generation of electricity supply technologies. Incentives are available to offset the initial cost of energy efficient and renewable energy technologies for all ratepayers in New Jersey. We have several comprehensive

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THE RATEPAYER ADVOCATE EDUCATES CONSUMERS CONTACT US TO SCHEDULE A PRESENTATION IN YOUR AREA

(973) 648-2690

njratepayer@rpa.state.nj.us

2nd Edition of Consumer Conservation Handbook Saves You Money

The Ratepayer Advocate's 2nd edition of the Consumer Conservation Handbook is your key to conserving energy and saving cash. The recently published second edition is full of handy room by room and outdoor tips you can implement today. This means you can start saving money right away! Some of the topics included in the handbook are:

•Tips for Saving Energy

•Home Energy Audits

- How to Read Your Meter
- Heating and Cooling Tips
- Water Conservation
- The New Jersey Clean Energy Program

- Energy Star
- Caulking and Weatherstripping
- Natural Gas Tips



The Consumer Conservation Handbook is free and can be obtained by calling the RPA at 973-648-2690 or via e-mail at njratepayer@rpa.state.nj.us. Consumers can also view and download a copy on the RPA website at www.rpa.state.nj.us.

RATEPAYER ADVOCATE ON THE ROAD

MARCH 21, 2005 - Ratepayer Advocate Seema M. Singh participated in New Jersey Natural Gas Company's panel discussion entitled, "Women Change America," held at the company's headquarters in Wall.

APRIL 9, 2005 - Ms. Singh represented Acting Governor Codey's office and honored seven West Windsor high school students for their contributions to the Central Jersey Division of the March of Dimes at West Windsor Plainsboro High School North in Plainsboro.

APRIL 10, 2005 - Representing Acting Governor Codey's office, Ms. Singh read the Governor's proclamation honoring eight outstanding New Jersey ethnic leaders in a ceremony at the Mayfair Farms in West Orange hosted by the Heritage Festival Ball, Inc.

APRIL 21, 2005 - At the New Jersey State Bar Association Public Utility Law Section's 2005 Annual Spring Conference held at the Sheraton in Woodbridge, the Ratepayer Advocate delivered the opening remarks.

MAY 9, 2005 - Ms. Singh spoke at a New Jersey Natural Gas donation ceremony commemorating the installation of solar PV panels at an Island Beach State Park facility in Seaside Park.

May 19, 2005 - The Ratepayer Advocate spoke at the New Jersey Natural Gas' Libraries On-line program at the Long Branch Free Public Library to celebrate the facility's recently upgraded computers and learning services.

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If you want to receive the latest energy, water or telecommunications news via e-mail, subscribe to the RPA mailing list.

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ON THE RATEPAYER ADVOCATE RADAR

Cell Phone Truth-in-Billing

The Ratepayer Advocate filed comments with the Federal Communications Commission (FCC) supporting petitions filed by the National Association of State Utility Consumer Advocates (NASUCA). The FCC ruled that wireless companies must now provide bills in clear, non-misleading and plain language. The FCC ruling also stated that wireless companies cannot present discretionary line item charges in ways that suggest such line items are taxes or government mandated charges. Although this decision is favorable to New Jersey ratepayers, the Ratepayer Advocate is still fighting against the portion of the FCC decision that does not grant state commissions the power to impose additional billing requirements.

Effective Cable Competition

State regulation of a cable company ends if the company can demonstrate that over 15 % of the households in its service area subscribe to multichannel video programming other than the largest multichannel video programming distributor. Currently, the RPA is urging the FCC to find that Cablevision is relying on faulty data and has not achieved the over 15% requirement in Montvale, Elizabeth, and West Milford. The RPA maintains that

Cablevision fails to be competitive in these three towns and that state regulation should remain in place.

Switching Long Distance Phone Providers

The Ratepayer Advocate said the FCC's recent actions to reduce the cost to consumers of switching long-distance providers opens the door for new decisions regarding rates for New Jersey consumers. The FCC decision follows recommendations made by the Ratepayer Advocate in filed comments encouraging them to lower rates and to take note of New Jersey as already having some of the lowest toll provider (Primary Interexchange Carrier - PIC) charges in the country. The FCC ordered that when consumers simultaneously switch intrastate (regional toll) and long distance providers (PIC), the charge for changing providers is cut in half from \$1.25 to 63 cents for electronically processed changes.

In New Jersey, the regional toll PIC charges are already lower due to an agreement made by the Ratepayer Advocate in 1999 with Bell Atlantic-NJ (now Verizon-NJ) and United Telephone Company (Sprint).

In light of the FCC's ruling, the Ratepayer Advocate will begin discussions with Verizon-NJ, Sprint and the Board of Public Utilities in order to implement the FCC's ruling here in New Jersey.



Ratepayer Advocate Seema M. Singh delivers the opening remarks at the New Jersey State Bar Association Public Utility Law Section Spring 2005 Conference at the Sheraton Woodbridge.

Broadband Over Power Lines (BPL)

What is BPL? A technology still in development that allows transmission of voice and Internet data over utility/electricity power lines. No matter where you live, you would be able to access the Internet with the same speed as cable modem or DSL.

How Does it Work? If you have electricity, you can have high-speed Internet access. You don't need a phone, cable or satellite connection. Instead, you install a modem that plugs into an ordinary wall outlet and pay a subscription fee similar to those paid for other Internet services. Some companies bring the signal in with the electricity on the power line, while others use wireless links put on the poles to send the data wirelessly into your home. The signal is then received by a powerline modem that plugs into a wall outlet, and the modem then sends the signal to your computer.

BPL Advantages: Geography will no longer limit high-speed Internet access. No matter how rural your area, you could get online and navigate the web fast by simply plugging in an electrical cord from the "BPL modem" into any outlet.

What Does it Offer? The same perks as cable and DSL: access to Voice Over Internet Protocol (VOIP), audio, video conferencing, high speed data, community websites, distance learning, and much more.

BPL Downside: The FCC and state regulators need to classify this technology as either a utility or a communications service. This will determine whether the federal or state government would regulate BPL. All telephone providers, whether land or cellular, contribute 6.8% of their long distance and international calling revenue to a universal service fund (USF) that provides rural and low-income consumers access to telecommunications services at reasonable rates. If BPL is classified as an information service, providers may not have to contribute to the USF. Classification may also affect price and service levels.

What is the RPA Doing? While no New Jersey utility company currently offers BPL, the Ratepayer Advocate is following national interest in this extremely viable avenue for high speed Internet access so that when and if it is available in our state, consumers receive the highest level of service at the most reasonable rates.

TIPS FOR CONSERVATION AND PRESERVATION

Ahhh, spring! The days are getting longer and the temperature is rising. The time has come to start thinking about spring cleaning around the house. It is also time to think about water as we prepare our yards and gardens for the growing season and maybe even filling the pool. With the recent floods in New Jersey, it is hard to imagine that we might run into a drought situation come summer, but it is possible. While tidying up both inside and outside the home this spring, take some time to review indoor and outdoor water use. Small conservation measures can add up to big water and money savings.

Spring Into Water Conservation

Outdoors

Collect and use rainwater for watering your garden.

Check your sprinkler system regularly and adjust sprinklers so only your lawn is watered and not the house, sidewalk, or street.

Direct downspouts or gutters toward shrubs or trees.

Use a broom, not the hose to clean your driveway, patio or sidewalk.

Cover your pool when not in use to prevent water evaporation.

Raise the lawn mower blade to at least three inches or to its highest setting. A higher cut encourages grass roots to grow deeper, shades the root system, and holds soil moisture.

Indoors

Insulate hot water pipes so you don't have to run as much water to get hot water to the faucet.

Put food coloring in your toilet tank to check for leaks. If it seeps into the bowl, you have a leak. It's easy to fix and can save up to 600 gallons a month.

Turn off the tap while brushing your teeth or shaving and use short bursts of water for rinsing.

Install a low-flow shower head.

Retrofit all household faucets by installing aerators with flow restrictors.

Repair dripping faucets by replacing washers.

Don't use running water to thaw food. Thaw it overnight in the refrigerator instead.

Conserving water does not require a major change in lifestyle. Try implementing a few tips at a time, and before you know it, using water efficiently will become second nature to you. For more water conservation tips as well as energy saving tips, download a free copy of the Ratepayer Advocate's **Consumer Conservation Handbook**, now in its 2nd edition, at www.rpa.state.nj.us.

Electricity was first harnessed in New Jersey by Thomas Edison. Now a growing number of companies and homeowners are installing solar panels, an environmentally friendly renewable source of energy to produce electricity, making it possible for New Jersey homeowners to harness the power of the sun.

The concept of solar energy is easy to understand. When sunlight hits solar panels which are comprised of cells made from a silicon-based product, electricity is generated. A device called an inverter switches the type of current from direct-current, or DC, to alternating-current, or AC, which can power a home. However, many homeowners and businesses with solar panels stay connected to the electric grid, using solar power for a majority of electric use.

Solar electric systems have many benefits. You can stabilize or reduce your energy costs, generate your own supply of clean energy, provide backup power for your home in case of outages, increase the value of your home and help

create a cleaner environment.

Another incentive for installing solar panels is net metering, an option which credits you for any excess energy produced by your solar electric system.

The cost of installing a residential system depends on many factors, including whether your home is existing or if it is under construction, if modules are being integrated into or mounted on an existing roof, or if you are planning to replace your roof. Generally costs range from \$40,000-\$60,000. Typically, it can take 10 to 12 years to recoup your investment. However, rebates are offered by the New Jersey Board of Public Utilities through its Clean Energy Program that may cover up to 60% of the total purchase and installation cost of a qualifying system.

As clean energy programs like solar electric panels continue to be added and expanded, the Division of the Ratepayer Advocate will actively participate to ensure that programs remain cost efficient and benefit residential ratepayers.

Catch the Rays with Solar Panels



If you think a solar electric system might be right for your home, visit the Board of Public Utilities' Clean Energy website: www.njcleanenergy.com or call 1-609-777-3300.

RATEPAYER ADVOCATE EMPLOYEES RECEIVE RECOGNITION AWARDS

Several New Jersey Ratepayer Advocate staff members received the State of New Jersey's Public Service Recognition Award during a May ceremony at the Trenton War Memorial Building.

The award recipients were selected for the Public Service Awards based on nominations submitted by co-workers. Ratepayer Advocate Seema M. Singh, in her capacity as director of the division, presented the awards to the honorees.

New Jersey Ratepayer Advocate Attorney Bud Ubushin received the Longevity Award for his 17 years of state service. Ubushin began his employment with the state in 1987 as an attorney with the Division of Rate Counsel and has continued with the Division of the Ratepayer Advocate since its establishment in 1994. Ubushin was honored for being a team player who generously shares his

knowledge with colleagues without hesitation.

Attorneys Kurt Lewandowski, Diane Schulze, and Bud Ubushin were on hand to receive the Teamwork/Partnership Achievement Award for their outstanding efforts as members of the Ratepayer Advocate's Electric Team. As a team, they worked tirelessly while their supervisor was on an extended medical leave, ensuring that their caseload progressed efficiently while protecting ratepayers' rights.

Attorney Elaine Kaufmann, Managing Attorney Ami Morita and Clerical Support staff member Carmen Cotto each received the Co-worker Recognition Award. Kaufmann was honored for unfailing kindness and ability to always smile, no matter how heavy the workload; Morita was recognized for enthusiasm and devotion in working tirelessly in the best interests of ratepayers; Cotto received her award for her willingness to assist anyone at the Ratepayer Advocate who needs her help, no matter what the task.



Clockwise from top left: Award recipients Ami Morita, Kurt Lewandowski, Elaine Kaufmann and Bud Ubushin at the 2005 Public Service Recognition Award ceremony; Ratepayer Advocate Seema Singh with award recipient Carmen Cotto; Singh with award recipients Bud Ubushin, Diane Schulze, Ami Morita, Kurt Lewandowski and Elaine Kaufmann.

Message from the Director

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and natural gas. While it may feel like these rising costs are out of your control, one thing you can manage is your utility consumption. Now that spring is here, you can lower your thermostats, but remember, efforts to save money and conserve energy don't stop there. As you contemplate turning on your air conditioner, keep in mind that cold air seeps out of faulty doors and windows, water lawn sprinkler usage can lead to waste, and turning on the oven when you can cook outdoors can heat up the house you are trying to keep cool (Spring barbeques are a good idea.)

In order to learn more about money-saving conservation methods, I recommend that you read the second edition of our **Consumer Conservation Handbook**, which is full of handy tips you can use inside and outside your home. To get a copy of this newly published book, you can visit our website at www.rpa.state.nj.us for a free download or call or e-mail our office for a copy.

My staff and I are also available by e-mail, fax or phone to assist you with any utility problems you may face so please do not hesitate to contact us. Enjoy spring, and remember that conservation is the key to saving money on utility bills. Consider it part of your spring cleaning ritual. Best wishes.



Seema Singh
Seema M. Singh
Ratepayer Advocate
Spring 2005

RATEPAYER ADVOCATE IN THE NEWS

New Electricity Rates as of June 1, 2005

Ratepayer Advocate Seema M. Singh said she expected more of an increase [in electricity costs]. "We don't like any increase but considering what is going on in the market, it is not bad," she said. "We were expecting it to be worse."

--*Asbury Park Press*, February 17, 2005

Ratepayer Advocate Objects to Portion of FCC Cell Phone Bill Ruling

The FCC ruled that wireless phone companies must provide bills in clear, brief, non-misleading, and plain language - that part of the FCC's ruling is good news. New Jersey Ratepayer Advocate Seema Singh objects to the part of the ruling that precludes states from imposing additional regulations on wireless carriers.

"The FCC's ruling knocks the wind out of state efforts to protect its consumers," said Singh.

--*Star Ledger* (editorial), March 21, 2005

New Jersey's Auction System Benefits Customers

The pool of third-party power suppliers available to large power consumers has steadily increased and now sits at about 20. "The fact that they are going up leads me to believe that the commercial customers are more savvy," [Seema Singh] said. "They want to go out there and shop for power."

--*Rockford Register Star* (Illinois), March 21, 2005

Wake-Up Call

Ratepayer Advocate Seema M. Singh was a featured speaker on Radio WBAI 99.5 FM where she was interviewed by Mimi Rosenberg on the "Wake-Up Call" show. Ms. Singh discussed her role as the Ratepayer Advocate, her leadership in the Asian-Indian community, and her work in immigrant human and legal rights.

--WBAI 99.5 FM, March 16, 2005

RATEPAYER ADVOCATE SEEMA M. SINGH HOSTS MARTIN LUTHER KING JR. CELEBRATION Rutgers University Law Student Honored with Award

Ratepayer Advocate Seema M. Singh hosted an event to mark the Martin Luther King Jr. Commemorative Commission's year-long celebration of the civil rights leader. Ms. Singh presented Elizabeth Harris, a Rutgers University Law School student, with the Ratepayer Advocate 2005 Martin Luther King, Jr. Leader of Tomorrow Award on March 16.

Elizabeth Harris was selected for this award because her work in mentoring and tutoring minority students throughout her academic career exemplifies Dr. King's call to continue the struggle for justice in the 21st century. Ms. Harris also embodies the Ratepayer Advocate's theme for the event: Tomorrow's Leaders: Living Dr. King's Dream Today.

The March 26 - April 8 issue of the *Urban Times News* featured a story on the event and quoted Ms. Singh as saying, "Dr. King's prophetic commitment to justice for all people, without regard to gender, national origin, race or political view, sets the standard for this society. His adherence to the teachings of Mohandas Karamchand Gandhi and his unflinching courage in the face of violence and repression made him a hero to me and my contemporaries."



Kenneth Padilla, Esq. director, Rutgers School of Law Minority Student Program, Mildred Crump, Chair, Martin Luther King, Jr. Commemorative Commission, Ratepayer Advocate, Seema M. Singh, Elizabeth M. Harris, Rahsaan Harris, and Rutgers School of Law Professor Twila L. Perry.



Elizabeth Harris dedicates the Ratepayer Advocate 2005 Martin Luther King, Jr. Leader of Tomorrow Award to her family.



Ratepayer Advocate Seema M. Singh presents Elizabeth Harris with a plaque honoring her academic and civic achievements.

WHAT'S HAPPENING IN TRENTON

As the Legislature works to finalize the details of the state budget for FY 2006, it is also advancing legislation concerning important utility matters.

The Senate and Assembly have recently taken action on the following pro-consumer bills:



***S-2346** would allow counties, municipalities and school districts to join with the state to purchase energy services for their facilities. Under the New Jersey Consolidated Energy Savings Program, state agencies have consolidated their energy needs to achieve lower costs. This legislation, in turn, will extend this savings

opportunity to county, school and local entities, which could voluntarily participate in either an existing state contract or a separate energy aggregation program to reduce their energy costs.

***AR-168** urges cable television companies in New Jersey to offer a family-friendly package of television channels, with the majority of the programs being suitable for all ages. The measure is designed to encourage more programming choices for the state's cable customers.

***A-669** would prohibit unsolicited fax advertisements. Specifically, the bill would prohibit a person in the state from using a telephone fax machine, computer or other device to send an unsolicited advertisement to another fax machine within the state. The bill would impose a penalty of up to \$500 for each occurrence.

Message from the Acting Governor

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programs that focus on providing technical and financial assistance to homeowners, businesses, schools and government organizations to help with the effort.

We are also working hard to ensure that energy costs and utility services remain affordable for all of New Jersey's residents. Conservation is a positive step in the right direction and will bring many benefits to residents throughout the state.

Because of our concern for energy efficiency and energy conservation, I recently signed a bill (A-516) that requires the Board of Public Utilities (BPU) to establish minimum energy efficiency standards for commercial clothes washers, illuminated exit signs, low-voltage dry type distribution transformers, torchiere lighting fixtures, traffic signal modules and unit heaters.

The BPU will work in partnership with the N.J. Department of Environmental Protection to establish these standards within a year. By March 2007, no new products covered by the law will be allowed to be sold, offered or installed in New Jersey unless their energy efficiency meets or exceeds the minimum standards. Every two years, the BPU will issue recommendations for additional products that should be covered by the law and develop a list of the most energy efficient products available for consumers.

This bill provides an excellent example of what all of us in New Jersey can do to help protect our natural resources and energy power. As we move forward, let's continue to work together to promote and encourage energy conservation.



Acting Governor Richard J. Codey announced an \$8 million agreement to preserve Camp Todd, one of the largest remaining open spaces in Bergen County and a significant water resource in the state's Highlands region. The 75-acre former Boy Scout camp will be protected from any type of development.

Richard J. Codey
Acting Governor
State of New Jersey

REQUEST A SPEAKER FOR YOUR ORGANIZATION

The Ratepayer Advocate Seema M. Singh will come to a location of your choice and speak about consumer issues including: Conservation Tips, Understanding Your Utility Bill, Financial Assistance Programs, Clean Energy Programs, Cable TV Regulation, Voice Over Internet Protocol and Water Conservation.

Name _____

Organization _____

Topics of Interest _____

Date & Time Preferred _____

Number of Participants _____

Address & Phone _____

Speakers can be scheduled during day and evening hours. The seminars, complete with power point presentations, can be tailored to meet your audience's specific needs. We also provide educational materials for distribution.

You can mail or fax this form to:

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